

HENRY JACK & ASSOCIATES INC
Form 10-Q
May 11, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2009

OR

() TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 0-14112

JACK HENRY & ASSOCIATES, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of Incorporation)

43-1128385

(I.R.S Employer Identification No.)

663 Highway 60, P.O. Box 807, Monett, MO 65708

(Address of Principle Executive Offices)

(Zip Code)

417-235-6652

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No []

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes [] No []

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicated by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

As of May 7, 2009, Registrant has 83,793,814 shares of common stock outstanding (\$0.01 par value)

JACK HENRY & ASSOCIATES, INC.
CONTENTS

	Page Reference
PART I	FINANCIAL INFORMATION
ITEM 1	Financial Statements
	Condensed Consolidated Balance Sheets March 31, 2009 and June 30, 2008 (Unaudited)
	3
	Condensed Consolidated Statements of Income for the Three and Nine Months Ended March 31, 2009 and 2008 (Unaudited)
	4
	Condensed Consolidated Statements of Cash Flows for the Nine Months Ended March 31, 2009 and 2008 (Unaudited)
	5
	Notes to Condensed Consolidated Financial Statements (Unaudited)
	6
ITEM 2	Management's Discussion and Analysis of Financial Condition and Results of Operations
	12
ITEM 3	Quantitative and Qualitative Disclosures about Market Risk
	19
ITEM 4	Controls and Procedures
	19
PART II	OTHER INFORMATION
ITEM 2	Unregistered Sales of Equity Securities and Use of Proceeds
	19
	2

PART 1. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

JACK HENRY & ASSOCIATES, INC. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (In Thousands, Except Share and Per Share Data)
 (Unaudited)

	March 31, 2009	June 30, 2008
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 26,415	\$ 65,565
Investments, at amortized cost	1,000	997
Receivables	104,524	213,947
Prepaid expenses and other	23,998	25,143
Prepaid cost of product	21,505	19,515
Deferred income taxes	4,584	4,590
	182,026	329,757
Total current assets		
PROPERTY AND EQUIPMENT, net	236,169	239,005
OTHER ASSETS:		
Prepaid cost of product	8,514	9,584
Computer software, net of amortization	81,437	74,943
Other non-current assets	10,664	10,564
Customer relationships, net of amortization	57,509	63,819
Trade names	3,999	3,999
Goodwill	292,400	289,373
	454,523	452,282
Total other assets		
Total assets	\$ 872,718	\$ 1,021,044
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 5,380	\$ 6,946
Accrued expenses	27,265	35,996
Accrued income taxes	1,025	15,681
Note payable and current maturities of capital leases	64,740	70,177
Deferred revenues	91,060	212,375
	189,470	341,175
Total current liabilities		

LONG TERM LIABILITIES:

Deferred revenues	9,771	11,219
Deferred income taxes	64,337	61,710
Other long-term liabilities, net of current maturities	5,839	5,489
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Total long term liabilities	79,947	78,418
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Total liabilities	269,417	419,593

STOCKHOLDERS' EQUITY

Preferred stock - \$1 par value; 500,000 shares authorized, none issued	-	-
Common stock - \$0.01 par value: 250,000,000 shares authorized; Shares issued at 3/31/09 were 97,915,607 Shares issued at 6/30/08 were 97,702,098	979	977
Additional paid-in capital	295,906	291,120
Retained earnings	616,001	560,534
Less treasury stock at cost 14,406,635 shares at 3/31/09, 11,301,045 shares at 06/30/08	(309,585)	(251,180)
	<hr/>	<hr/>
Total stockholders' equity	603,301	601,451
	<hr/>	<hr/>
Total liabilities and stockholders' equity	\$ 872,718	\$ 1,021,044

See notes to condensed consolidated financial statements

JACK HENRY & ASSOCIATES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In Thousands, Except Per Share Data)
(Unaudited)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
REVENUE				
License	\$ 12,730	\$ 18,441	\$ 40,884	\$ 55,257
Support and service	151,839	148,772	458,839	431,663
Hardware	15,839	20,267	53,987	67,305
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Total	180,408	187,480	553,710	554,225

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COST OF SALES				
Cost of license	1,436	1,739	4,577	4,279
Cost of support and service	96,732	93,871	289,366	269,858
Cost of hardware	12,002	14,875	39,627	48,525
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Total	110,170	110,485	333,570	322,662
GROSS PROFIT	70,238	76,995	220,140	231,563
OPERATING EXPENSES				
Selling and marketing	12,873	13,597	40,650	41,080
Research and development	10,694	11,340	32,431	32,703
General and administrative				